

Fiscal Estimate - 2009 Session

☒ Original
 ☐ Updated
 ☐ Corrected
 ☐ Supplemental

LRB Number 09-3180/1	Introduction Number AB-0471
Description Mortgage broker duties and agency relationships	
Fiscal Effect State: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations </div> <div style="width: 33%;"> <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues </div> <div style="width: 33%;"> <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs </div> </div> Local: <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory </div> <div style="width: 33%;"> 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts </div> </div>	
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.144(1)(g)	
Agency/Prepared By DFI/ Susan Dietzel (608) 267-0399	<div style="display: flex;"> <div style="flex: 1;"> Authorized Signature Susan Dietzel (608) 267-0399 </div> <div style="flex: 0.5; text-align: center;"> Date 10/13/2009 </div> </div>

Fiscal Estimate Narratives

DFI 10/13/2009

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Description Mortgage broker duties and agency relationships					

Assumptions Used in Arriving at Fiscal Estimate

This bill significantly changes the relationship between a mortgage broker and a borrower, creating an "agency" relationship which requires the broker to act in the borrower's best interest.

The fiscal effect of this legislation to the Department is limited. While it is likely there will be additional inquiries and complaints, it is anticipated the increase in contacts can be handled with current resources.

There may be a decrease in the number of licensees from mortgage brokers who choose not to be licensed under the new requirements. However, it is not expected that the small reduction will significantly affect revenue.

Long-Range Fiscal Implications